



2020 COVID-19 Recovery Act Funding Allocations

ISSUE OVERVIEW

In April, the 2020 General Assembly appropriated \$44,400,000 from the Coronavirus Relief Fund (created under the CARES Act) to the Board of Governors to be allocated to constituent institutions for the following purposes to effectively respond to COVID-19 impacts:

- To cover increased costs related to moving coursework and exams online;
- To implement a digital learning accelerator;
- To provide for facility sanitation prior to reopening campuses and during the operation of campuses and for other necessary eligible expenses for services for ongoing campus operations; and
- To cover necessary eligible expenses for assistance to students and employees, including counseling services and information technology support.

Only the expenditures incurred during the period that begins on March 1, 2020, and ends on December 30, 2020, are eligible for funding from the Coronavirus Relief Fund. See the related special provision 3.3 from House Bill 1043 (S.L. 2020-4) on Appendix A.

Based on campus cost estimates, the allocations are recommended as shown in the table below.

	Costs Incurred (100% of Requested)	Estimated Costs through Dec. 2020 (Pro Rata up to Cap)	Total
Appalachian State University	\$ 841,890	\$ 2,787,750	\$ 3,629,640
East Carolina University	2,141,506	2,154,380	4,295,886
Elizabeth City State University	224,285	547,723	772,008
Fayetteville State University	428,200	523,153	951,353
N.C. A&T State University	501,446	1,558,880	2,060,326
North Carolina Central University	749,246	814,474	1,563,720
North Carolina State University	4,432,781	67,219	4,500,000
UNC Asheville	550,194	427,084	977,278
UNC-Chapel Hill	3,768,189	731,811	4,500,000
UNC Charlotte	1,825,446	2,674,554	4,500,000
UNC Greensboro	249,626	1,467,677	1,717,303
UNC Pembroke	163,365	1,495,989	1,659,354
UNC Wilmington	483,432	3,533,240	4,016,672
UNC School of the Arts	338,580	290,367	628,947
Western Carolina University	166,962	1,116,388	1,283,350
Winston-Salem State University	792,409	495,660	1,288,069
NC School of Science & Mathematics	105,603	657,524	763,127
NC Arboretum	64,152	73,427	137,579
UNC System Office*	115,554	39,834	155,388
Digital Learning Enhancements			5,000,000
Total	\$17,942,866	\$21,457,134	\$44,400,000

*Includes UNC-TV and SEAA

ISSUE OVERVIEW

In April, the 2020 General Assembly appropriated \$20,000,000 from the Coronavirus Relief Fund (created under the CARES Act) to the Board of Governors to be allocated to the North Carolina State Education Assistance Authority (NCSEAA) to provide funds to each eligible private postsecondary institution, as defined in G.S. 116-280(3). These funds are to be used to transition to online education for students and to provide funds for students and families impacted by COVID-19. See the related special provision 3.3 from House Bill 1043 (S.L. 2020-4) on Appendix A. It is recommended that these funds be allocated to Aid to Private Institutions.

Additional Budget Actions Not Requiring Board Approval (for information only)

The General Assembly appropriated funds directly to several institutions related to research and development of countermeasures for COVID-19, which do not require Board allocation. For more detailed information on these appropriations, please see Appendix A for the related special provisions. These are listed below, for information only:

- \$29,000,000 to the University of North Carolina at Chapel Hill to allocate to the North Carolina Policy Collaboratory at UNC-Chapel Hill. The funds shall be used for the rapid development of a countermeasure of neutralizing antibodies for COVID-19.
- \$15,000,000 to the Brody School of Medicine at East Carolina University to be used for the rapid development of a countermeasure of neutralizing antibodies for COVID-19.
- \$15,000,000 to OSBM to establish the COVID-19 Teaching Hospitals Relief Fund. OSBM shall allocate the monies in the fund as grants (\$3 million each) to the five hospitals located within the State that are classified as teaching hospitals by the Centers for Medicare and Medicaid Services (Wake Forest Baptist Medical Center, Duke University Hospital, University of North Carolina at Chapel Hill Medical Center, Vidant Medical Center, and Central Harnett Hospital) for the purpose of offsetting expenses incurred for providing patient care in North Carolina as a result of the COVID-19 pandemic.

COVID-19 Recovery Act Funding Appendix A – Special Provisions

UNC-Related Special Provisions from House Bill 1043

ESTABLISHMENT OF CORONAVIRUS RELIEF FUND SECTION

SECTION 2.2. The Coronavirus Relief Fund (Fund) is established. The purpose of the Fund is to provide necessary and appropriate relief and assistance from the effects of COVID-19, consistent with the provisions of this act and subsequent legislation addressing the effects of COVID-19. The Fund shall be maintained as a special fund and administered by OSBM to carry out the provisions of this act and subsequent acts necessitated as a result of the COVID-19 outbreak. All funds allocated from the Fund must be used for necessary expenditures incurred due to the public health emergency with respect to COVID-19. Only expenditures incurred during the period that begins on March 1, 2020, and ends on December 30, 2020, are eligible for funding from this Fund.

ALLOCATION OF FUNDS APPROPRIATED TO OSBM

SECTION 3.3. Allocations of Funds. – OSBM shall allocate the funds appropriated in Section 3.2 of this act as follows:

- (20) \$44,400,000 to the Board of Governors of The University of North Carolina to be allocated to constituent institutions for the following purposes to effectively respond to COVID-19 impacts: (i) to cover increased costs related to moving coursework and exams online, (ii) to implement a digital learning accelerator, (iii) to provide for facility sanitation prior to reopening campuses and during the operation of campuses and for other necessary eligible expenses for services for ongoing campus operations, and (iv) to cover necessary eligible expenses for assistance to students and employees, including counseling services and information technology support.
- (21) \$20,000,000 to the Board of Governors of The University of North Carolina to be allocated to the State Education Assistance Authority (Authority) for the Authority to provide funds to each eligible private postsecondary institution, as defined in G.S. 116-280(3), by apportioning an amount equal to the following:
 - a. Seventy-five percent (75%) of the institution's relative share of full-time equivalent students who were enrolled as of March 13, 2020, who received scholarships pursuant to Article 34 of Chapter 116 of the General Statutes for the spring semester of the 2019-2020 academic year.
 - b. Twenty-five percent (25%) of the institution's relative share of full-time equivalent students who were enrolled as of March 13, 2020, who had not received scholarships pursuant to Article 34 of Chapter 116 of the General Statutes for the spring semester of the 2019-2020 academic year.

These funds shall be used to transition to online education for students and to provide funds for students and families impacted by COVID-19.

- 23) \$29,000,000 to The University of North Carolina at Chapel Hill to allocate to the North Carolina Policy Collaboratory (Collaboratory) at the University of North Carolina at Chapel Hill. The funds shall be used for (i) the rapid development of a countermeasure of neutralizing antibodies for COVID-19 that can be used as soon as possible to both prevent infection, and for those infected, treat infection, (ii) bringing a safe and effective COVID-19 vaccine to the public as soon as possible, (iii) community testing initiatives, and (iv) other research and activities related to monitoring, assessing, and addressing the public health and economic impacts of COVID-19. The Collaboratory shall facilitate among various entities best practices and strategies to maximize resources and achieve a comprehensive response to COVID-19. The Collaboratory may also assemble an advisory panel of representatives from various entities as necessary to discuss, review, and analyze progress towards meeting those goals and the use of available funds. The Collaboratory shall report on the progress of the development of a countermeasure and vaccine; findings from various community testing initiatives; and other research and activities related to monitoring, assessing, and addressing the public health and economic impacts of COVID-19; and the use of the appropriated funds received pursuant to this subdivision to the Joint Legislative Oversight Committee on Health and Human Services by no later than September 1, 2020. The provisions of Article 3 of Chapter 143

APPENDIX O

of the General Statutes, G.S. 143-129, and G.S. 116-31.10 shall not apply to the purchase of apparatus, supplies, material, or equipment with any of the funds allocated under this subdivision. (24) \$15,000,000 to the Brody School of Medicine at East Carolina University to be used for (i) the rapid development of a countermeasure of neutralizing antibodies for COVID-19 that can be used as soon as possible to both prevent infection, and for those infected, treat infection, (ii) bringing a safe and effective COVID-19 vaccine to the public as soon as possible, (iii) community testing initiatives, and (iv) other research and activities related to COVID-19. By September 1, 2020, the Brody School of Medicine shall submit a report on the progress of the development of a countermeasure and vaccine, findings from their community testing initiatives, and other research and activities related to COVID-19, and the use of the appropriated funds received pursuant to this subdivision to the Joint Legislative Oversight Committee on Health and Human Services.

- (24) \$15,000,000 to the Brody School of Medicine at East Carolina University to be used for (i) the rapid development of a countermeasure of neutralizing antibodies for COVID-19 that can be used as soon as possible to both prevent infection, and for those infected, treat infection, (ii) bringing a safe and effective COVID-19 vaccine to the public as soon as possible, (iii) community testing initiatives, and (iv) other research and activities related to COVID-19. By September 1, 2020, the Brody School of Medicine shall submit a report on the progress of the development of a countermeasure and vaccine, findings from their community testing initiatives, and other research and activities related to COVID-19, and the use of the appropriated funds received pursuant to this subdivision to the Joint Legislative Oversight Committee on Health and Human Services.
- (40) \$15,000,000 to OSBM to establish the COVID-19 Teaching Hospitals Relief Fund. OSBM shall allocate the monies in the fund as grants to the five hospitals located within the State that are classified as teaching hospitals by the Centers for Medicare and Medicaid Services (Wake Forest Baptist Medical Center, Duke University Hospital, University of North Carolina at Chapel Hill Medical Center, Vidant Medical Center, and Central Harnett Hospital) for the purpose of offsetting expenses incurred for providing patient care in North Carolina as a result of the COVID-19 pandemic. OSBM shall award grants in an amount equal to \$3,000,000 to each eligible teaching hospital. Grant recipients shall not use these funds for any purpose other than the following to offset costs related to patient care provided in North Carolina to respond to the COVID-19 pandemic:
- a. Up to sixty percent (60%) of lost revenues from foregone elective procedures during the COVID-19 emergency, net of federal funds received from the CARES Act.
 - b. Supplies and equipment purchased in accordance with Centers for Disease Control and Prevention guidelines.
 - c. Rapidly ramping up infection control and triage training for health care professionals.
 - d. Retrofitting separate areas to screen and treat patients with suspected COVID-19 infections, including isolation areas in or around hospital emergency departments.
 - e. Increasing the number of patient care beds to provide surge capacity.
 - f. Transporting patients with confirmed or suspected COVID-19 safely to or from health care facilities.
 - g. Planning, training, and implementing expanded telehealth capabilities.
 - h. Procuring staff or consultants to help mitigate the burden of extensive review of new and incoming federal and State regulatory guidelines.
 - i. Salary support for furloughed employees.

As a condition of receiving the funds allocated in this subdivision, each grant recipient shall submit a detailed written report to the House Appropriations Subcommittee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, and the Joint Legislative Oversight Committee on Health and Human Services by December 1, 2020, that contains (i) a breakdown of all expenditures from the appropriated funds received under this section by the categories listed in this subdivision and (ii) the total amount of funds received from the Provider Relief Fund provided for in P.L. 116-136 and any other COVID-19 Recovery Legislation or other federal legislation enacted by Congress during calendar year 2020 to support the national response to COVID-19.

UNC-Related Special Provisions from Senate Bill 704

WAIVER OF INTEREST CHARGES ON UNC STUDENT DEBT

SECTION 2.28. Notwithstanding G.S. 147-86.23, a constituent institution of The University of North Carolina shall not accrue or charge any interest to a past-due account receivable held by a student between March 13, 2020, and September 15, 2020.

EXTENSION OF UNC REPORT DATES

SECTION 2.29.(a) Notwithstanding G.S. 116-11(12d), 116-74.21, and 143-613(b1), the Board of Governors of The University of North Carolina shall have an additional 60 days to submit the following reports to the Joint Legislative Education Oversight Committee:

- (1) The annual report due by April 15 each year on teacher education efforts at The University of North Carolina.
- (2) The annual report due by April 15 each year on the supply and demand of school administrators to determine the number of school administrators to be trained in school administrator training programs within the constituent institutions of The University of North Carolina in each year of the fiscal biennium.
- (3) The biennial report due by May 15 every two years on the goals for State-operated health professional schools that offer training programs for licensure or certification of physician assistants, nurse practitioners, and nurse midwives for increasing the percentage of the graduates of those programs who enter clinical programs and careers in primary care.

SECTION 2.29.(b) Notwithstanding Section 9.7(c) of S.L. 2008-107, as amended by Section 9.3(c) of S.L. 2010-31, the Board of Governors of The University of North Carolina shall submit by June 15, 2020, its annual report on the UNC-NCCCS 2+2 E-Learning Initiative due by April 15 each year to the Joint Legislative Education Oversight Committee, the State Board of Education, the Office of State Budget and Management, and the Fiscal Research Division.

SECTION 2.29.(c) Notwithstanding Section 9.3(c) of S.L. 2005-276, as amended by Section 9.3(d) of S.L. 2010-31, The University of North Carolina System Office shall submit by June 15, 2020, its annual report on the UNC-NCCCS Joint Initiative for Teacher Education and Recruitment due by April 15 each year to the State Board of Education, the Board of Governors of The University of North Carolina, the State Board of Community Colleges, the Education Cabinet, the Joint Legislative Education Oversight Committee, and the Office of State Budget and Management.